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LB 621, 833

one-fourth of Grand Island's entire budget of \$8,497,193. Northwest has a total of 690 students in grades 9 through 12, 329 tuition students, 117 option enrollment students from other districts, and 246 regular students. In the 2004-2005 school year the 329 tuition students will become option enrollment students. The actual amount of the second year, 2005-2006, will be less because net option funding, which is based on the previous school year's student data, would kick in. However, the school year would also show a loss because the tuition continues to show up in Northwest's actual receipts. Northwest resources will continue to appear greater than they actually are in the second year. So what happens in 2005-2006... 2004-2005 without LB 621 in the form of this amendment? Number one, Northwest doesn't receive tuition because the contract has expired; number two, Northwest doesn't receive option funding because that lags a year behind the year of attendance; number three, Northwest doesn't receive an increase in equalization aid because the two-year-old data makes it look on paper like they have plenty of resources. Nevertheless, Northwest will still have the students. With LB 621 in the form of this amendment, the tuition wouldn't show in the accountable receipts once the contracts end. Northwest's needs would be greater than the resources, and equalization would kick in. Senator Raikes and the Education Committee decided that the definitions needed to be very clear so that there would be no misinterpretation of what we're proposing. This amendment defines the terms more explicitly. The other concern expressed by the committee had to do with insuring that Grand Island did not have a windfall of state aid for one year and they'd have to pay back the next year. Using the actual fall membership count in the final calculation of state aid solved that. I also want to be sure that you look at the revised fiscal note when you look at the fiscal note. The revised fiscal note is the one dated March 29, revised on April 4th, showing no fiscal impact. As cosponsor of LB 621, we fully support the committee's recommendation contained in AM1845. It greatly improves on the original LB 621. We ask your support to adopt the recommendations in this amendment to LB 833. If you have any questions, I'll try to answer them. And I believe Senator Raikes also has some comments on the amendment. Thank you.